

MURREE BREWERY COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

14 Property, plant and equipment

	Owned						Leased		Grand
	Freehold lands	Buildings on freehold land	Plant, machinery and equipment	Furniture, fixtures and equipment	Motor Vehicles	Capital work in progress (note: 14.6)	Sub total	Motor Vehicles	Total
	(Rs. '000)								
Original cost/ reassessed value									
Balance as at 01 July 2007	287,833	116,531	555,999	11,201	41,658	4,150	1,017,372	9,840	1,027,212
Revaluation surplus	2,032,668	32,242	42,919	-	-	-	2,107,829	-	2,107,829
Additions	-	7,023	35,267	1,083	6,098	81,345	130,816	-	130,816
Transfers	-	-	33,778	-	-	(33,778)	-	-	-
Disposals	-	-	(1,096)	-	(5,263)	-	(6,359)	-	(6,359)
Adjustments	-	-	(516)	-	2,396	-	1,880	(2,396)	(516)
Balance as at 30 June 2008	<u>2,320,501</u>	<u>155,796</u>	<u>666,351</u>	<u>12,284</u>	<u>44,889</u>	<u>51,717</u>	<u>3,251,538</u>	<u>7,444</u>	<u>3,258,982</u>
Balance as at 01 July 2008	2,320,501	155,796	666,351	12,284	44,889	51,717	3,251,538	7,444	3,258,982
Revaluation deficit	(20,142)	(949)	-	-	-	-	(21,091)	-	(21,091)
Additions	-	16,039	213,265	1,321	2,405	11,743	244,773	1,789	246,562
Transfers	-	-	59,802	-	-	(59,802)	-	-	-
Disposals	-	-	(19,320)	(139)	(5,645)	-	(25,104)	-	(25,104)
Transferred to investment property	(74,609)	(4,102)	-	-	-	-	(78,711)	-	(78,711)
Balance as at 30 June 2009	<u>2,225,750</u>	<u>166,784</u>	<u>920,098</u>	<u>13,466</u>	<u>41,649</u>	<u>3,658</u>	<u>3,371,405</u>	<u>9,233</u>	<u>3,380,638</u>
Depreciation									
Balance as at 01 July 2007	-	48,682	201,016	7,252	23,482	-	280,432	2,979	283,411
Depreciation charge for the year	-	9,700	54,278	836	7,073	-	71,887	1,623	73,510
Disposals	-	-	(111)	-	(3,370)	-	(3,481)	-	(3,481)
Adjustments	-	-	(516)	-	1,560	-	1,044	(1,560)	(516)
Balance as at 30 June 2008	<u>-</u>	<u>58,382</u>	<u>254,667</u>	<u>8,088</u>	<u>28,745</u>	<u>-</u>	<u>349,882</u>	<u>3,042</u>	<u>352,924</u>
Balance as at 01 July 2008	-	58,382	254,667	8,088	28,745	-	349,882	3,042	352,924
Depreciation charge for the year	-	10,677	67,913	1,143	6,342	-	86,075	1,099	87,174
Disposals	-	-	(2,127)	(86)	(3,369)	-	(5,582)	-	(5,582)
Transferred to investment property	-	(504)	-	-	-	-	(504)	-	(504)
Balance as at 30 June 2009	<u>-</u>	<u>68,555</u>	<u>320,453</u>	<u>9,145</u>	<u>31,718</u>	<u>-</u>	<u>429,871</u>	<u>4,141</u>	<u>434,012</u>
Carrying amounts - 2008	<u>2,320,501</u>	<u>97,414</u>	<u>411,684</u>	<u>4,196</u>	<u>16,144</u>	<u>51,717</u>	<u>2,901,656</u>	<u>4,402</u>	<u>2,906,058</u>
Carrying amounts - 2009	<u>2,225,750</u>	<u>98,229</u>	<u>599,645</u>	<u>4,321</u>	<u>9,931</u>	<u>3,658</u>	<u>2,941,534</u>	<u>5,092</u>	<u>2,946,626</u>
Rates of depreciation per annum	-	5-10%	10-20%	10-33.3%	20%	-		20%	

- 14.1** The Company had its lands and buildings revalued in 1991, 1992, 1995, 2002 and 2007 by independent valuers on market value basis and plant and machinery revalued in 1991, 1992, 1995, 2002 and 2007 by independent valuers on replacement cost basis. These revaluations resulted in net surplus of Rs. 21.577 million, Rs. 38.478 million, Rs. 15.396 million, Rs. 376.885 million and Rs 2,107.829 million respectively.
- 14.2** As at 30 June 2009, the Company transferred certain of its land and building from property, plant and equipment to investment property. For this purpose, the land and building transferred have been revalued to comply with International Accounting Standard 40 "Investment Property". Accordingly, the amount transferred to investment property represents the revalued amount - Also refer note 15.
- 14.3** Land includes 2 kanals and 3 marlas given to Army Housing Colony by the Military Estate Office (MEO) for construction of a housing colony. This has been stated at 2002 revalued amount in these financial statements which comes to Rs. 2,523,240. The Company had filed a case against MEO for this unauthorised occupation. The court of Civil Judge, Rawalpindi has decreed against MEO for vacating the land. The management is confident that the final outcome of this matter will be in the Company's favour.